

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6094**

**BILL NUMBER:** HB 1206

**NOTE PREPARED:** Nov 2, 2004

**BILL AMENDED:**

**SUBJECT:** Handgun Licenses and Ammunition.

**FIRST AUTHOR:** Rep. Smith V

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:** X GENERAL  
X DEDICATED  
FEDERAL

**IMPACT:** State & Local

**Summary of Legislation:** The bill limits the size of a license to carry a handgun and specifies certain information that must be obtained before a person may deliver ammunition for a handgun to another person. It requires the transferor of the handgun ammunition to forward certain information about the transfer to the Superintendent of the State Police Department.

**Effective Date:** Upon passage; July 1, 2005.

**Explanation of State Expenditures:** The State Police would incur additional administrative expenses associated with adopting rules and processing and storing information relative to the transfer of ammunition. The State Police should be able to adopt rules given its current budget. The specific impact of storing the ammunition sales information will depend on how the State Police elect to receive and store the information. There were 75,518 total handgun licenses issued in CY 2003. As of November 2004, there were 301,084 active handgun licenses.

Currently, a handgun license is 2 inches by 3.5 inches, within the size limit established in the bill.

**Explanation of State Revenues:** This bill provides for a Class A misdemeanor for violation of the ammunition transfer provisions. If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class A misdemeanor is \$5,000. Criminal fines are deposited in the Common School Fund.

If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and

collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund.

**Explanation of Local Expenditures:** A Class A misdemeanor is punishable by up to one year in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

**Explanation of Local Revenues:** If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

**State Agencies Affected:**

**Local Agencies Affected:** Trial courts, local law enforcement agencies.

**Information Sources:** Steve Hillman, Indiana State Police, (317) 232-8317; 2003 Indiana State Police Annual Report.

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